

**COPPER JUNCTION
ANNUAL HOMEOWNERS MEETING
AUGUST 31, 2013**

MINUTES

1. **Call to Order.** The meeting was called to order at 9:30 a.m. by President George Hart.
2. **Affirmation of Attendance and Quorum.** 10 units were represented and in addition, 15 proxies were received. A quorum was established for both the homeowners and the Board.

Also in attendance was Billy Krasowski, Building Manager for Copper Junction.

Representing Mountain Managers was Phil Wells.
3. **Approval of the Minutes from the 9/1/13 Annual Meeting.** A motion was made, seconded, and passed unanimously to approve the minutes as written.
4. **Elections for Commercial Properties.** This was moved up on the agenda in order to have commercial representation on the Board. The governing documents call for 2 representatives to be elected by commercial owners. Kevin Flewell (CNL - Resort Ventures West) and Kevin Kahle (C4 and C5 - Rebel Sports) were both in attendance and expressed an interest in serving on the Board. The proxy for C2 and C3 was held by Kevin Kahle. With no other nominations forthcoming, a motion was made, seconded, and passed unanimously to elect Kevin Flewell and Kevin Kahle to the Board by acclamation.
5. **Repair and Maintenance Report.** The report listed items over \$500 that were completed since the last annual meeting. The more expensive items included purchase of a boiler pump, replacement of elevator doors and replacing the door board circuit, roof snow removal, preparation of the Association's reserve study, purchase of glycol, installation of bird netting, gutter/scupper installation above the pizza patio corner, and cleaning of exterior windows. Fireplace inspections were also completed and the cost billed back to each individual owner.
6. **Financials.**
 - A. July financials: Total income was ahead of budget by \$61,766. The switch from quarterly to monthly dues payments plays a part in how and when dues payments are recorded. On the expense side, there were quite a few incorrectly budgeted items based on information received from the prior accountant. Overall, the Association was \$14,312 over budget on expenses year-to-date but still showed a positive net of \$47,454 through July.

The balance in the checking account was \$66,281.52, the 1st Bank account balance (reserves) was \$14,383.79, and the money market balance was \$162,588.16 (majority of reserves). There are only 2 delinquencies over 30 days and collection is being pursued. C1 noted that payment should have been received after this report was generated. This will be verified with accounting.
 - B. 2014-15 Operations Budget. Income is based on the current dues and reserve structure. Expenses are based on previous year's actuals, current contracts and anticipated increases. Snow removal is done by Billy using a Bobcat and therefore there is generally no expense. Last year there was simply too much snow to keep up with and additional help was needed. This is not a common occurrence and a repeat is not anticipated.

This led to a discussion on parking in B lot. Technically, there are 31 spots but due to increasing costs for running B lot, the HOA only has access to 15 without paying additional monies. It was noted that if additional spots were needed it could probably be arranged without cost since the lot is rarely full. Parking at the complex is not usually an issue but during peak times it can be tight. Everyone needs to be aware of parking rules and use some common sense when loading/unloading. Care needs to be taken not to block access for other owners/guests. Most people are considerate but there are always a few that are not.

Returning to the budget, it was noted that in the transition from quarterly dues payments to monthly, the amount was miscalculated and owners were actually undercharged. Owners will see a slight increase in monthly amounts in order to rectify the miscalculation. The annual total dues amount must be equal to the annual total of the amount when paid quarterly. A dues adjustment notice will be sent to owners with the minutes. Owners who pay dues using the coupon book are running out of coupons. Notice will be sent to owners who pay using coupons stating what they should do between now and January when new coupon books are issued. (Subsequent to the meeting, it was found that coupon books went out 9/17 – the budget year runs October to September. New coupons will reflect the adjustment to the monthly dues amount beginning 1/1/15.)

Questions were asked on insurance. Pricing for all 34 of Mountain Managers' HOA's will be negotiated prior to 11/1. Insurance rates have increased but the best possible price will be obtained. Summit County is ranked in with the Front Range, including hail, even there isn't much hail in the mountains.

Cable/Internet is for residential units only and is included in dues payments. It has previously been budgeted as a lump sum payment in January in order to get a discounted rate but this may be discontinued.

A motion was made and seconded to approve the budget with the adjusted dues amounts (effective 1/1/15). The motion carried.

- C. If there is any operational budget surplus at year end, owners need to approve transfer to reserves. A motion was made to approve the transfer and discussion ensued. It was noted that once money is put into reserves it can only be used for capital expenditures and not day-to-day operational expenses. However, should the need arise, the normal monthly reserve contribution can be delayed or reduced to offset any operational budget shortfall. The motion on the floor was seconded and passed.

Boiler repairs (banging) were discussed. Re-piping versus a computerized pump was recommended. If properly maintained, the actual boiler should last indefinitely. The current system is a good one and is operating at about 30% capacity. Maximizing efficiency has been and will continue to be a primary goal.

7. **Old & New Business.**

- A. Salto lock update. George stated the HOA will be making the deposit this week. Based on others he has talked to, most wish they had also ordered the same lock as Copper Junction (RFID + pin). When installed the cipher portion will be able to handle 10 codes and hopefully this will be unlimited in the future. Billy can change codes on request. There was a bit of an issue with the Fire Department regarding emergency

egress from the restaurant. To resolve this, the entry door at the patio side will not have a lock and the door on the 1st floor where the elevator is will not be locked. Each floor is still secure. All upper floors will be locked. There was extensive research done to find the best solution for everyone and satisfy Fire Department requirements. Installation of the new locks is estimated to take place between 9/30 and 10/31. Some confusion is to be expected when the turn over occurs but hopefully, this will be minimal.

The HOA originally agreed to pay \$30 of the additional \$60 upgrade cost for owners who had already ordered and paid for the RFID only locks. It was argued that this money should not be taken from the HOA's reserve fund which is intended to benefit all owners and not just a few. After discussion, it was resolved to bill owners the full amount of \$60.

Owners are reminded that all access doors must be Salto. If you have a lock-off unit that is not accessible from inside the main unit, you must have a Salto lock on the lock-off. The Ving lock can be retained only if there is access from the main unit. If you want to retain your Ving lock for any reason, let Billy know and it can be left in the unit when the new Salto locks are installed.

- B. The Board is considering a "no smoking" ban for general and limited common elements. No decisions have been made but owners were asked for their input. The majority were in favor and a motion was made, seconded and passed to pursue a "no smoking" policy. George will pursue this and work on appropriate wording.
- C. Billy had been asked to re-evaluate improvements to the entry (similar to Mountain Plaza). Entry will move to the left and a bigger turning area will be created along with an unloading zone and pedestrian walkway. The appearance will be enhanced for a reasonable cost.
- D. George has spent a lot of time talking with Kevin about the restaurant and patio area. Bobby Cato is interested in doing the restaurant and therefore, it will be done right. They would like to include a remodel of the patio area as well – tear up, repair, install a gas fireplace, etc. This would benefit Copper Junction owners as well and cost sharing was talked about. The HOA has boilers that are not working to capacity and are designed to heat the ground. This can be the HOA's contribution to cost. The HOA will not lose any private patio area and will retain its own space and BBQ area. Owners and guests will have a nicely remodeled heated space to use. No plans have yet been finalized. This is being taken one step at a time and the Board will not spend the HOA's money without complete details, cost, etc. and informing owners. Based on HOA docs, the patio is GCE. Ira believes there is a document stating it is LCE but this has not been seen.

The Board has quite a bit of authority including spending funds on capital improvements. The Board is elected to make decisions on behalf of owners subject to Decs and Bylaws. George reiterated that the Board would not spend large sums of money without owner input except in cases of emergency such as boiler failure in the middle of winter, etc.

George has not pursued hot tub information pending what transpires with the restaurant plans.

E. More discussion on the boiler system took place. The system is in excellent condition. New systems have been looked at but these are not necessary. Providing heat is not a problem; air leaks are an issue and no new system will change that. If the system ever goes bad it may be better to install electric glycol heaters. Each room would have its own thermostat and owners would be responsible for repair and maintenance. This is not anticipated in the foreseeable future and nothing would be done without complete research and a professional survey.

8. **Election of Officers.** There was one vacancy on the Board (residential) for a 3 year term. The term for George Hart was expiring and he agreed to run for reelection. Ira Langenthal was also nominated. With two candidates for 1 open position, election was held by secret ballot.

Ira stated that the Board should represent the interest of owners and consult owners prior to spending HOA funds. George reiterated that he would not spend large amounts of HOA money without owner input. Ira also noted that if George was re-elected, Ira would like to serve on the ACC.

George Hart was re-elected to the Board.

9. **Schedule Next Annual Meeting.** The next HOA meeting will be on September 6, 2015, same time and location.

10. **Adjournment.** There being no further business, a motion was made, seconded, and passed to adjourn the meeting at 12:25 p.m.

Respectfully submitted:

Judy Freese, Recording Secretary (minutes prepared from a tape recording of the meeting.)

APPROVED:



9/24/14

George Hart, President

Date